



Risk Management: Parts Management Program

***Service Set 3: Product Support
Services -
Presented to DCMA Field Support
Right Item
Division
One Book Process: 4.2.1
June 29, 2000***

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- **What are the Customer/Contract Requirements?**

- SOW/SOO, MOA, LOD, Detail Specification:***

- Parts Control: The Contractor shall maintain a parts control and standardization program in accordance with internal procedures and shall designate a parts engineer responsible for control of the program. The Contractor shall make part selection for the program following contractual orders of precedence and depending on the degree of Buying Office participation per MIL-HDBK-965. The Contractor is delegated parts selection authority and may select parts without going through DSCC for non-standard part approval. An information copy of non-standard part selections shall be provided to DSCC.

- CDRL:***

- Non-standard Part Request
 - Equipment Parts List

Some Key Processes

Parts Selection 

Approval of Supplier Parts and Part Data

Assessment of Parts Suppliers

Non-Standard Part Approval

Input to Modernized Parts Control Automated Support System (MPCASS) database

Maintenance of Program Parts Selection List (PPSL)

Preparation of As-Built Parts List (if required by SOW)

GIDEP/DMSMS

Obsolescence Management

ECP Review

Documentation: The Parts Selection process is critical to facilitating the availability and standardization of parts and the performance of deliverable items.

Key Process: Parts Selection

- **Rating: Moderate Risk** - Use risk matrix (likelihood and consequence)
 - **Rationale for Rating:**
 - Large number of NSPs, DMSMS/obsolete parts, and sole source manufacturers. (Performance)
 - Delinquent long lead ordering occasionally results in alternate part deviations. (Schedule)
 - Contractor and its suppliers pushing PEMS usage as cost reduction initiatives. (Cost)
 - **Some Events that May Cause Risk Reassessment**
 - Part Failure History data for NSPs and PEMS
 - Part Availability, including effects of DMSMS, GIDEP
 - System or Equipment Performance Data and Maturity
 - Contractor Self-Oversight
 - Performance Based Contracts

Key Process: Parts Selection

- **One Risk-Handling Tool: Documentation Review** Review contractor parts selection records with respect to order of precedence and non-proliferation.
- **Intensity:** Sample
- **Frequency:** Bi-Annual Sampling
- **Schedule:** January 18, 2000; June 29, 2000
- **Rationale for Risk Handling Tool:** To ensure parts selection and approval follow the identified order of precedence to reduce proliferation.

Note: Multiple Risk Handling Tools may be used simultaneously.

Risk handling tools may/will change in response to maturity level of the key process.

Key Process: Parts Selection

Risk-Handling Tool: Documentation Review

Results: Of the 30 parts approved for usage, three were found to be non-standard parts without justification for their selection. Further research identified two alternate parts were used: one due to long lead time reflecting inadequate ordering system and one due to a DMS obsolescence.

Risk Reassessment: Retained Medium Risk

Adjustments to Risk-Handling Plan:

- Issued a CAR against the Contractors Parts Selection and Approval Process.
- Changed frequency and intensity to proof the

- **Documentation is required for each stage of Risk Management: Planning, Assessment, Handling, and Monitoring**
- **Changes to any elements of Risk Management must also be documented; this includes Reassessment of Risk and current progress/ status of Risk Handling and Monitoring efforts**
- **Documentation is a method of communicating to your team, buying office, and supervisor your efforts on monitoring/improving Supplier Key**